JOE B. ADAMS CONSULTING GEOLOGIST

October 5, 2007

Honorable James H. Welsh Commissioner of Conservation P.O. Box 94275 Baton Rouge, Louisiana 70804-9275

Re: APPLICATION FOR PUBLIC HEARING
Textularia "W" Zone, Reservoir C
Bourg Field
Lafourche & Terrebonne
Parishes, Louisiana

Dear Sir:

Application is hereby made under the Revised Rules of procedure, on behalf of **ENERGY PROPERTIES. INC.** ("Applicant") for the calling of a public hearing, after legal notice to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Textularia "W" Zone, Reservoir C in the Bourg Field, LaFourche & Terrebonne Parishes, Louisiana:

- 1. To create a single drilling and production unit of approximately 260 acres for the exploration for and the production of gas and condensate from the Textularia "W" Zone, Reservoir C at Bourg Field, LaFourche & Terrebonne Parishes, Louisiana as shown on the attached plat.
- 2. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To designate a unit operator.
- 4. To extend, except where they may be in conflict herewith, to the proposed unit the provisions of the 244-Z series of Orders.
- 5. To provide for future reclassification of the reservoir by

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Supplemental Order without the necessity of a public hearing if the producing characteristics of the reservoir so warrant and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.

- 6. To continue in force and effect the provisions of the 244-Z series of orders.
- 7. To consider such other matters as may be pertinent.

The Textularia "W" Zone, Reservoir C in the Bourg Field is hereby defined as that gas and condensate bearing Zone encountered between the measured depths of 10,125 feet and 12,690 feet in the Cities Service - F. P. Guidry No. B-1 well located in section 42, Township 17 South, Range 18 East, LaFourche Parish, Louisiana.

In compliance with the Rules of Procedure, a pre-application was held in Baton Rouge, Louisiana on October 4, 2007. Attached and made a part hereof is a list of the names and addresses of the parties in attendance.

The conference was opened by the undersigned and the proposal being sponsored by the applicant was presented. After a period of questions and answers, Mr. R. P. Guidry asked if the eastern boundary of the unit could be moved farther to the East. Energy believes it's proposal covers all the potentially productive acreage. All parties were appraised of their rights.

Attached hereto and made a part hereof is the applicant's proposed unit, and a list of the names and addresses of the interested owners, interested parties and represented parties to whom this this application is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

A copy of the Interested Parties List is being mailed to the Commissioner of Conservation and the District manager of the Lafayette District only. Should any party desire a copy of this list, we will be glad to provide one upon request.

Applicant will provide for POSTING of a copy of the legal notice of the hearing and the enclosed plat at a prominent place in the area affected and will cause the LEGAL NOTICE to be PUBLISHED in a newspaper of general circulation in the vicinity of the Bourg Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant

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will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice.

Also enclosed is a check, in the amount of \$ 755.00, payable to the Louisiana Office of Conservation, which represents the required hearing fee.

Yours Very Truly,

Joe B. Adams

cc: Mr. Richard Hudson, District Manager
 Lafayette District, Office of Conservation
 All Interested Owners, Interested Parties and
 Represented Parties

